

COMPLIANCE PLAN

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Itasca Medical Care (IMCare)

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A. INTRODUCTION

Itasca Medical Care (IMCare) is a prepaid Medical Assistance plan contracted with the State of Minnesota to provide managed care health services to people on Minnesota Health Care Programs. IMCare Classic is a Medicare Advantage-Prescription Drug Dual -Eligible Special Plan (D-SNP) through an MOU with the Centers for Medicare and Medicaid and the State of Minnesota to provide managed care health services for people who are over 65 and eligible for Medicare and Medicaid (Minnesota Senior Health Options [MSHO]). The purpose and the mission of IMCare/IMCare Classic is: An organized and coordinated Minnesota HealthCare Program Delivery System that addresses the goals of improving access to quality care, assuring appropriate utilization of services, enhancing patient and provider satisfaction, and achieving cost efficiencies in the delivery of health care.

IMCare is committed to completing its mission while maintaining full compliance with all applicable laws, rules and regulations and ethical standards. This commitment to the highest ethical standards of behavior extends beyond our enrollees to everyone we partner and work with. The primary responsibility for ensuring that IMCare's values are upheld lies with all employees, who are expected to be aware of and in full compliance with all applicable laws, rules and regulations, and avoid even the appearance of impropriety. It is critical that ethics and compliance be an integral part of every employee's decision-making process. Inappropriate business ethics and non-compliant actions cannot and will not be tolerated and will be grounds for disciplinary action, up to and including termination of employment.

To help IMCare fulfill its commitment to the high ethical standards and foster a culture of compliance, the Compliance Program plays an important part in an overarching strategy to uphold IMCare's values. The Compliance Program establishes a process for education on relevant laws, rules and regulations; monitoring to ensure compliance; and documenting IMCare's efforts to obey the law.

This Compliance Plan outlines and explains the structural and operations elements of IMCare's Compliance Program and discusses some relevant laws, regulations, and policies and procedures. The Plan, which will be amended as warranted by changes in applicable laws and regulations, is distinct from the Compliance work plan, which is prepared annually.

B. DEFINITION OF TERMS

Audit Period: The period of time in which the Plan is assessed and reported upon. The annual period begins January 1 and ends December 31. The compliance officer may change the Audit period for administrative necessity, but the audit period will never be less than one year in length.

Board of Commissioners: The governing body of Itasca Medical Care, and IMCare Classic.

Compliance Plan: A system of standards developed to assure compliance with the conformity to all guidelines governing managed care organizations.

Compliance Committee: This committee oversees the implementation and operation of the compliance plan. It reviews the results of the internal review programs, makes recommendations for improvements to the plan, and reports its activities to the Itasca County Health and Human Services Director, and the IMCare Subcommittee of the Itasca County Board of Commissioners.

Contract Compliance Officer: The individual having direct daily responsibility for the administration, implementation, and oversight of the Compliance Plan as it relates to Itasca Medical Care operations and compliance. The Compliance Officer reports to the IMCare Director, the Itasca County Health and Human Services Director and Itasca County Board of Commissioners.

External Reviewers: Any employee from an external source approved to review medical charts and billing practices for compliance rules and regulations.

HIPAA: The Health Insurance Portability and Accountability Act of 1996, including all past or future amendments thereto, and all regulations now or hereafter promulgated under its authority.

HIPAA Requirements: Any obligations imposed by HIPAA.

IMCare Subcommittee to the Itasca County Board of Commissioners: Reviews and monitors IMCare business activities, including the compliance program, and reports to the Itasca County Board of Commissioners. The committee includes two County Commissioners, the County Attorney, the County Auditor, the County Administrator, the Itasca County Health and Human Services Director, the IMCare Director and two community members.

Information Security Officer/Security Officer: The individual having direct daily responsibility for the administration, implementation, and oversight of the Compliance Plan as it relates to security compliance under HIPAA.

Medicaid: The jointly funded, Federal-State health insurance program for certain low-income, needy and disabled people.

Medicare: Federal program, which provides health insurance to people age 65 and over and those who have permanent kidney failure and certain people with disabilities.

Privacy Officer: The individual having direct daily responsibility for the administration, implementation, and oversight of the Compliance Plan as it relates to privacy compliance under HIPAA.

Provider: A provider of medical services.

Regulatory Notices: This includes any written documentation received from or on behalf of any governmental authority including, but not limited to, the Centers for Medicare & Medicaid Services (CMS), the State, and other agencies authorized by law to provide interpretation of standards of practice, privacy and security regulations.

C. STANDARDS OF CONDUCT

In support of this Compliance Plan, the *Standards of Conduct* defines and articulates the guiding principles and business conduct applicable to all activities conducted by IMCare management, staff, contractors, Board and First Tier, Downstream and Related Entities. It gives guidance in areas where staff needs to make personal and ethical decisions. The *Standards of Conduct* provides a non-exclusive summary of ethical and legal principles for partners of IMCare based on compliance requirements applicable to IMCare activities and business. Except as otherwise stated, it does not replace any existing IMCare or Itasca County policies. All partners must read, understand and abide by the principles outlined in the IMCare *Standards of Conduct* through signed attestation. The *Standards of Conduct* is reviewed at least annually and updated to incorporate changes in applicable laws, regulations, and other program requirements. The *Standards of Conduct* is then reviewed and approved by the Itasca County Board of Commissioners.

D. COMPLIANCE OVERSIGHT

IMCare has designated the Compliance Committee and Contract Compliance Officer identified below to assist in the development and oversight of the IMCare Compliance Plan. The Contract Compliance Officer, working with the Compliance Committee, is responsible for implementing and monitoring a continuous, collaborative and proactive culture of compliance at IMCare. The Compliance Officer and Compliance Committee will periodically report to the Board of Commissioners on the activities and status of the Compliance Program, including issues identified, investigated, and resolved by the Compliance Program.

E. GOVERNING AUTHORITY

The Itasca County Board of Commissioners is vested with final jurisdiction of IMCare. The IMCare Director reports to the Itasca County Health and Human Services Director, and also reports directly to the Itasca County Board of Commissioners and is responsible for the management and operation of IMCare administration. The Board of Commissioners are knowledgeable about the content and operation of IMCare's compliance program and exercise reasonable oversight with respect to the implementation and effectiveness of the program. This includes review and approval of the *Standards of Conduct* and Compliance and Fraud, Waste and Abuse Plan.

F. IMCARE COMPLIANCE COMMITTEE

Membership

The Compliance Committee is appointed and co-chaired by the IMCare Director and the IMCare Contract Compliance Officer. The committee is made up of the following individuals:

- IMCare Director/CEO
- IMCare Quality Director
- IMCare Utilization Management Director/COO
- IMCare Medical Director
- IMCare Pharmacy Director
- IMCare Dental Director
- IMCare Claims Supervisor
- IMCare Contract Compliance Officer
- IMCare Controller/CFO
- Itasca County Administrator
- Itasca County Health and Human Services Director/Privacy Officer
- Itasca County MIS Director/Security Officer

The Compliance Committee reports to the IMCare Subcommittee of the Itasca County Board of Commissioners via the IMCare Director.

Meetings

The Compliance Committee shall meet at least quarterly at predetermined times and dates, and at any time a meeting is needed. A summary of the items addressed, or actions taken at each meeting shall be made and retained by the Contract Compliance Officer.

Role and Responsibilities

The Compliance Committee's responsibilities and duties include:

- a) Overseeing the implementation and operation of the Compliance Plan;
- b) Review and give approval of the Plan, *Standards of Conduct*, and policies and procedures, and any amendments thereto, related to compliance.
- c) Furnish adequate resources for and support of the Plan.

- d) Review and evaluate risk assessments prepared by the Contract Compliance Officer or Health Plan Compliance Coordinator and approve compliance monitoring plans.
- e) Review confidential final investigative compliance reports presented to verify that findings of non-compliance are addressed through appropriate corrective actions plans and/or disciplinary action to assist in reducing the risk of similar non-compliance in the future.
- f) Enforce consistent application of compliance standards, including fair, equitable and consistent disciplinary action of individuals identified as responsible for confirmed non-compliance.
- g) Provide guidance to the Contract Compliance Officer in the development of policies and standards related to compliance awareness, training, monitoring, and response (including corrective action, sanctions and enforcement) to identify, avoid and/or minimize non-compliance with applicable laws, regulations and policies.
- h) Receiving and acting upon reports and recommendations from the Contract Compliance Officer and IMCare Director;
- i) Serve as appellate body for employees contesting compliance reports;
- j) Evaluating the performance of the Compliance Plan and making recommendations accordingly;
- k) Evaluating the effectiveness and overall operation of the Compliance Program;
- l) Reporting actions and making recommendations to the appropriate officials, regarding employee performance;
- m) Performing other functions that may be reasonably necessary to fulfill the Compliance Committee's responsibilities and purpose.
- n) Committee members are expected to regularly attend the scheduled and called Compliance Committee meetings;
- o) Any sensitive information regarding employees, or information identified as confidential or proprietary learned by a member during his/her tenure on the Compliance Committee shall be considered confidential and the Compliance Committee members shall not disclose such information unless otherwise directed.
- p) Subcommittees may be formed from the Compliance Committee's membership to address specified issues.

G. CONTRACT COMPLIANCE OFFICER

The Contract Compliance Officer reports administratively to the IMCare Director and is responsible for the operations of IMCare's compliance area. As a member of the Compliance Committee, the Contract Compliance Officer also reports to this committee regarding project status. The Contract Compliance Officer shall be given adequate resources and authority to carry out such responsibility and shall report on the implementation and effectiveness of the Compliance Plan directly to the IMCare Director, the Compliance Committee, the IMCare

Subcommittee, and the Itasca County Board of Commissioners. The responsibilities of the Contract Compliance Officer include the following:

Responsibilities of the Contract Compliance Officer

The Contract Compliance Officer shall:

- a) Develop and implement the IMCare Compliance Plan, including providing oversight and monitoring of its implementation and periodic review;
- b) Monitor and oversee the Compliance Plan in conjunction with the County Privacy Officer and County Security Officer relating to HIPAA;
- c) Develop policies and procedures for implementation and operation of the Compliance Plan;
- d) Maintain, distribute and promote IMCare's *Standards of Conduct*;
- e) Maintain, distribute and promote IMCare's Conflict of Interest policies and procedures;
- f) Maintain current knowledge of laws and regulations, keeping abreast of recent changes that may affect IMCare policies, procedures, and processes through personal research, seminars, peer contact, and bench-marking compliance monitoring practices and implementation strategies;
- g) Coordinate efforts of staff, delegates, and provider to implement the Plan;
- h) Encourage awareness among employees, delegates, and contractors about compliance matters and the importance of adherence to the *Standards of Conduct* by developing, coordinating, and participating in a training program that focuses on compliance-related issues;
- i) Provide guidance to administration, governing body, and staff to facilitate compliance with statutory, regulatory, and IMCare requirements;
- j) Oversee monitoring, auditing and reporting of activity within the scope of the Compliance Plan;
- k) Investigate possible noncompliance;
- l) Maintain a retribution-free system for reporting of non-compliance or concern about Compliance Plan matters, which includes implementing and publicizing a "Compliance Hotline";
- m) Ensure that a compliance risk assessment is completed by IMCare at least annually and report results and recommended areas of focus to control or manage the identified risks;
- n) Assist in development of corrective action plans;
- o) Report any violations of HIPAA requirements to the County Privacy Officer and/or County Security Officer, as applicable;
- p) Serve on the Compliance Committee;
- q) Routinely report results of monitoring, auditing, and reporting activity to the Compliance Committee;
- r) Provide leadership for IMCare's compliance efforts;
- s) Ensure that the HHS-OIG's list of excluded individuals, SDN, and entities and the General Services Administration's list of parties debarred from federal programs have been checked with respect to physicians, staff, contractors, and vendors;
- t) Work with all departments/areas of IMCare to identify high risk compliance areas.

The Compliance Officer shall have the authority to carry out the above-mentioned duties.

H. SENIOR MANAGEMENT ROLE IN COMPLIANCE PLAN

Senior Management plays an important role in the development, implementation and enforcement of the Compliance Plan. It is important for IMCare to maintain “top down” commitment for the Compliance Program. This is integral to the success and effectiveness of the program.

Role of Senior Management

Senior Management will:

- a) Work with the Contract Compliance Officer, County Privacy Officer, County Security Officer, and the Compliance Committee to assure compliance with the Compliance Plan in their departments, and otherwise oversee departmental compliance and encourage a culture of compliance throughout their departments;
- b) Implement corrective/disciplinary action as necessary to assure compliance, and as recommended;
- c) Cause their departments to develop and adopt departmental policies and procedures to enable their department to adhere to the Compliance Plan;
- d) Review departmental policies, at least annually, to assure that they conform with the Compliance Plan;
- e) Provide information to the Contract Compliance Officer, County Privacy Officer, County Security Officer, and Compliance Committee, as necessary, regarding the departments and their compliance efforts; and
- f) Apprise employees of the results of monitoring, auditing and reporting of activities of the Compliance Plan.

I. COMPLIANCE AWARENESS

The *Standards of Conduct* will be provided to all IMCare employees who will be required to attest to their understanding and agreement to abide by the *Standards of Conduct*.

IMCare will post the Plan and the *Standards of Conduct* on the IMCare website. The Contract Compliance Officer shall periodically publish information in various resources regarding the Plan, *Standards of Conduct*, and related policies to raise awareness regarding general and specific compliance issues.

J. COMPLIANCE EDUCATION AND TRAINING

Compliance education and training is a critical element of an effective compliance program. IMCare is committed to providing general and specific compliance education and training so that

IMCare employees understand their obligations and responsibilities in accordance with applicable laws, regulations and policies.

Employees are expected to complete required compliance education and training within the time frames and frequencies established by the department or committee requiring and/or providing the compliance education. Notification of compliance education requirements will be communicated through various means, including, but not limited to supervisors, written memorandum, internet and/or e-mail.

General and specific compliance education and training programs and related information shall be periodically reviewed and updated to address current risk areas and improvement opportunities. A variety of educational methods, materials, and tools will be utilized to present general and specific compliance and training programs.

The Contract Compliance Officer shall be responsible for developing the content for delivery of general compliance education and training for IMCare. The content of general compliance education and training will include, but is not limited to, the IMCare *Standards of Conduct*, the IMCare Compliance Plan, IMCare risk areas, roles and responsibilities and other information necessary to maintain an effective general compliance education and training program. General compliance education and training requirements shall be published and advertised as necessary to communicate the information.

It will be the responsibility of the individual, department or committee having regulatory compliance oversight to develop the content and deliver specific compliance education and training related to their area of regulatory oversight responsibility. The content of these educational and training programs shall include those areas mandated by law, regulation and/or policy and may include a review of relevant compliance requirements applicable to that regulatory compliance area, identified or potential risk area, responsibilities, and methods to improve compliance. The scope of specific compliance education and training includes but is not limited to the education as may be required by compliance requirements and/or IMCare policy. Specific compliance education and training requirements shall be communicated by the department responsible for the content and delivery.

Records of completion of required compliance education and training shall be maintained by the department or committee responsible for delivery of the education and training. Summary reports of compliance with mandatory compliance education and training requirements shall be compiled by the department responsible for the education and training at least annually or more often as necessary and be made available for review, upon request.

The promotion of and adherence to the Compliance Plan by IMCare management is considered an integral part of their job performance. Specifically, supervisors shall:

- Complete all required compliance education and training for their respective position.
- Inform employees of required compliance requirements specifically related to their job function and appropriately monitor employees to verify compliance with those requirements.

Failure to complete required education and training will result in corrective action, up to and including termination of employment or association with IMCare.

K. CRIMINAL BACKGROUND AND SANCTION CHECKS

Employees

All new IMCare employees undergo a sanction checks and, as applicable, a criminal background check. IMCare prohibits the employment of any person listed by a federal or state agency as debarred, excluded, or otherwise ineligible for participation in federal or state funded programs to maintain compliance with federal and/or state laws.

Contractors/Vendors

IMCare shall conduct applicable searches of vendors and contractors against federal and state sanction lists. IMCare shall not contract with any individual or entity which is listed by a federal or state agency as debarred, excluded, or otherwise ineligible for participation in federal or state funded programs.

L. MONITORING AND RISK ASSESSMENT

Annual Compliance Risk Assessment

The Contract Compliance Officer shall ensure that a compliance risk assessment is completed at IMCare at least annually. This information shall be shared with the Compliance Committee as part of its annual risk assessment activities.

Work Plan

Once the risk assessment has been completed, the Contract Compliance Officer will develop the monitoring and auditing work plan. The work plan will include IMCare auditing activities, compliance issues, routine monitoring activities and oversight of FDRs.

Routine Monitoring Activity

IMCare will conduct routine monitoring in accordance with identified risks. The Compliance Committee shall review high risk compliance areas monitoring plans, including activities, based upon applicable laws, regulations and policies.

M. REPORTING RESPONSIBILITIES AND RESOURCES

Reporting Responsibility

Reporting suspected fraud, violations of law or non-compliance is essential to the effectiveness of IMCare's Compliance Plan. IMCare employees shall report suspected violations of, or non-compliance with, federal or state laws, and/or IMCare policies. There are various methods and resources to report suspected fraud, violations of law or non-compliance. Any member of the IMCare community who has a reasonable basis for believing fraud, violation of law or other non-compliance has occurred has a responsibility to promptly notify his/her supervisor, the Contract Compliance Officer, or use the confidential e-mail or confidential phone line.

All employees are expected to promptly report to the Contract Compliance Officer any suspected fiscal misconduct, whether by members of the IMCare community or by persons outside of IMCare but involving IMCare resources.

Compliance Hotline

1-866-269-0584 or imcarecompliance@co.itasca.mn.us

IMCare employees who have concerns of any kind stemming from possible non-compliance with compliance requirements, related IMCare policies, and/or errors or irregularities in IMCare's financial accounting practices or policies can report them. If you have information about unethical behavior, criminal activity or any other work-related concern, you should first speak with your supervisor or someone who has oversight authority for the policy or law. This service is not a substitute for, nor does it supersede, any existing reporting methods or protocols already in place for reporting suspected problems or complaints. Instead, the Compliance Hotline provides an additional means of reporting such issues. Any suspected problems or complaints reported via the Compliance Hotline will be reviewed in accordance with current IMCare policies and procedures. All reports of compliance issues will be handled in the confidence to the extent practicable. Employees who report concerns in good faith will not be subjected to retaliation, retribution, or harassment.

Non-Retaliation Policy

Knowledge of or suspicion of misconduct, violations of law, or other wrongdoing must be immediately reported to IMCare management, Contract Compliance Officer, imcarecompliance@co.itasca.mn.us, or the Compliance Hotline. No employee is permitted to engage in retaliation, retribution, or any form of harassment against another employee for reporting compliance-related concerns. Employees cannot exempt themselves from the consequences of wrongdoing by self-reporting, although self-reporting may be taken into account in determining the appropriate course of action.

Confidentiality

Insofar as legal and practical, confidentiality of employee concerns will be maintained. Only those personnel who have a need to know will be informed.

N. RESPONSE AND CORRECTIVE ACTION

Response to Allegations

The Contract Compliance Officer will maintain a reporting system and initiate a prompt and confidential investigation of questionable practices. Upon receipt of a report of questionable practice, the Contract Compliance Officer and/or other officials will conduct a confidential investigation. The IMCare officials conducting the investigation shall report to appropriate IMCare management and employees the result of the investigation and whether corrective action will be recommended. The Contract Compliance Officer will also report the results of the investigation to the Compliance Committee. IMCare staff shall cooperate during any compliance investigation and shall not alter or destroy any documentation during the course of the investigation.

Corrective Action and Appeal Rights

Failure or refusal to comply with this Plan, applicable compliance requirements, and/or IMCare policies will result in corrective action. An employee's supervisor may also be subject to corrective action when he/she (i) directs or approves the employee's improper actions; (ii) is aware of the improper actions and fails to correct them; or (iii) otherwise fails to exercise appropriate supervision. Corrective action may also be imposed where an employee should have detected improper action but did not. Corrective action includes, but is not limited to, any of the following actions:

- Mandatory training;
- Increased monitoring/auditing;
- Reclassification or reassignment of duties;
- Termination of contractual relationship; or
- Appropriate disciplinary action, up to and including, termination of employment.

Any appeal or grievance rights are those provided in existing policies and contracts.

O. TRACKING AND DOCUMENTING COMPLIANCE AND COMPLIANCE PROGRAM EFFECTIVENESS

The Contract Compliance Officer, with guidance and assistance from the Compliance Committee, is responsible for tracking and documenting all IMCare compliance efforts to include formal audits and monitoring. Issues of non-compliance will be shared with the

Compliance Committee and the Board of Commissioners. The Contract Compliance Officer will complete a self-assessment of program effectiveness no less than annually.

P. COMPLIANCE PLAN MAINTENANCE

In order to ensure an effective compliance plan, the Contract Compliance Officer and Compliance Committee will periodically review the overall effectiveness of the compliance plan at least annually. In forming recommendations and conclusion about the compliance plan, the reviewers will consider, among other things, the ongoing review, trend analysis, increase or decrease in questionable practices, and other relevant issues. The Itasca County Board of Commissioners have exclusive authority for approving any changes to the compliance plan that would substantively affect the integrity of the plan or would constitute a material change to the overall compliance plan or to any policy or policies comprising the plan.